



U.S. Department
of Transportation
**Federal Transit
Administration**

Memorandum

Subject: **GUIDANCE:** Recording ADA/CAA Expenditures
in the Project Budget

Date **OCT 27 1992**

From: *Bob McManus*
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for Grants Management

Reply to
Attn of

To: Regional Administrators

Thru: Roland J. Mross
Deputy Administrator

The attached guidance formally transmits instructions for recording in the project budget a grantee's plan for acquisition of vehicle-related equipment to comply with the Americans with Disabilities Act of 1990 and the Clean Air Act.

If you have questions, please contact Tim Boerner, TGM-11, 366-6782, or Pat Simpich, TGM-12, 366-1645.

Attachment

GUIDANCE ON THE PROJECT BUDGET: RECORDING ADA AND CAA EXPENDITURES

The following guidance provides information about how to record in the project budget those expenditures pertaining to the Americans with Disabilities Act (ADA) and the Clean Air Act (CAA). In order to maintain the integrity of the Regional Program Summary (RPS) budget data and to sufficiently track ADA/CAA expenditures at the 90/10 ratio, it is essential that project budgets with ADA/CAA costs in them be set up correctly.

There are three distinct situations that may be encountered:

(1) the case in which ADA/CAA expenditures are a component of the cost of the vehicle purchase; (2) the case in which the purchase of ADA/CAA equipment is a separate activity, not associated with the contemporaneous purchase of vehicles; and (3) the case in which the grantee has requested a grant to purchase vehicles at the 80/20 ratio even though the vehicles contain ADA/CAA-related equipment. These three cases are addressed below. Attached are two sample project budgets that have been constructed correctly to incorporate the ADA and CAA components. If project budgets have been set up incorrectly in the system, they must be revised to reflect the correct budget set up for recording these 90/10 expenditures.

CASE 1 If ADA/CAA (90/10) expenses are directly linked to vehicle purchases in the project budget, then the project budget should be set up both with a Rolling Stock scope code and a "non-add" scope code.

1. When the ADA/CAA equipment purchases are directly linked to a specific vehicle purchase, the total cost of the vehicle purchase should include the cost of the ADA/CAA equipment. The attached Sample 1 Project Budget illustrates the case.

SCOPE	Federal Amount
111-00 BUS - ROLLING STOCK	\$1,101,000
ACTIVITY	
11.13.04 PURCHASE SIX NEW SMALL BUSES	\$1,101,000

In this example, the \$1,101,000 Federal Share under Activity Code 11.13.04 includes three separate costs. The costs are \$912,000 for the (80/20) Federal share of the bus purchase, \$81,000 for the (90/10) Federal share of the ADA Related Expenses, and \$108,000 for the (90/10) Federal share of the CAA Related Expenses.

This step of "rolling up" the cost of ADA/CAA equipment into the total cost of the vehicle is very important; it allows FTA to accurately track capital expenditures in the RPS database and to ensure that the project budget balances.

2. In addition, it is necessary to set up ADA/CAA expenses under the "non-add" 996 Scope Code for ADA and the 997 Scope Code for CAA.

[SEE Sample 1 Project Budget]

<u>SCOPE</u>		<u>FEDERAL AMOUNT</u>	<u>TOTAL AMOUNT</u>
996-00	ADA RELATED EXPENSES WHEELCHAIR LIFTS	\$ 81,000	\$ 90,000

<u>ACTIVITY</u>			
11.13.04	SIX WHEELCHAIR LIFTS QUANTITY: 6	\$ 81,000	\$ 90,000

<u>SCOPE</u>			
997-00	CAA RELATED EXPENSES	\$ 108,000	\$ 120,000

<u>ACTIVITY</u>			
11.13.04	SIX AF ENGINES QUANTITY: 6	\$ 108,000	\$ 120,000

The "Activity Code" for ADA/CAA expenses in the 996 and 997 Scopes should be the same as the activity code for the rolling stock purchase receiving the ADA or CAA equipment. For instance, if the activity code for a bus purchase receiving the equipment in the 111-00 Scope is "11.13.04" (Bus<30ft), then the same 11.13.04 activity code should be used in the 996 and 997 Scopes. However, the Activity Code description field should be overwritten to describe what type of equipment is being purchased.

CASE 2 If the ADA/CAA (90/10) vehicle-related expenses are purchases separate from the vehicle purchases in the project budget (for example, purchase of wheelchair lifts to be retrofitted onto existing buses), then the following applies:

[SEE Sample 2 Project Budget]

1. It is **not** necessary to set up the 996 or 997 Scope Codes in the project budget.
2. It is necessary, however, to set up the ADA or CAA expenditures (or both) under the **SCOPE CODE**
 114-00 Bus Support Equipment &
 Facilities
3. To record whether the equipment purchases are ADA related or CAA related, set up the budget using the **new activity codes** that have been added to the GMIS Expenditure Detail Code Chart.

The new activity codes are:

11.42.43 ADA Vehicle Equipment
 11.42.44 CAA Vehicle Equipment

Case 2 continued..

An example of recording ADA & CAA (90/10) equipment purchases not linked to any vehicle purchases is provided below:

<u>SCOPE</u>		<u>FEDERAL AMOUNT</u>	<u>TOTAL AMOUNT</u>
114-00	BUS SUPPORT EQUIPMENT	\$ 135,000	\$ 150,000
<u>ACTIVITY</u>			
11.42.43	PURCHASE WHEELCHAIR LIFTS QUANTITY: 8	\$ 90,000	\$ 100,000
11.42.44	PURCHASE AF ENGINES QUANTITY: 3	\$ 45,000	\$ 50,000

NOTE: As in this example, the default descriptions for the ADA and CAA Activity Codes should be overwritten to describe more specifically the type of equipment being purchased.

CASE 3 If a bus is purchased equipped with ADA/CAA equipment but not set up on the 90/10 split, record the purchase as you would a normal (80/20) vehicle purchase.

<u>SCOPE</u>		<u>FEDERAL AMOUNT</u>	<u>TOTAL AMOUNT</u>
111-00	BUS - ROLLING STOCK	\$ 160,000	\$ 200,000
<u>ACTIVITY</u>			
11.13.01	PURCHASE 40FT BUS W\LIFT QUANTITY: 1	\$ 160,000	\$ 200,000

For further assistance, contact Pat Simpich (TGM-12) or Tim Boerner (TGM-11) at Headquarters.

APPROVAL DATE
00/00/00

SAMPLE PROJECT BUDGET
SAMPLE #1

PAGE 1

GRANTEE:

GRANT NO:

BUDGET NO: 01

<u>SCOPE</u>	<u>FEDERAL AMOUNT</u>	<u>TOTAL AMOUNT</u>
111-00 BUS - ROLLING STOCK.....	\$ 1,101,000	\$ 1,350,000
<u>ACTIVITY</u>		
11.13.04 PURCHASE SIX SMALL BUSES..	\$ 1,101,000	\$ 1,350,000
QUANTITY: 6		
 TOTAL CAPITAL	 \$ 1,101,000	 \$ 1,350,000
TOTAL	\$ 1,101,000	\$ 1,350,000

ESTIMATED NET PROJECT COST	\$ 1,350,000
FEDERAL SHARE	\$ 1,101,000
LOCAL SHARE	\$ 249,000

<u>SCOPE</u>		
996-00 ADA RELATED EXPENSES.....	\$ 81,000	\$ 90,000
<u>ACTIVITY</u>		
11.13.04 SIX WHEELCHAIR LIFTS	\$ 81,000	\$ 90,000
QUANTITY: 6		
 <u>SCOPE</u>		
997-00 CAA RELATED EXPENSES.....	\$ 108,000	\$ 120,000
<u>ACTIVITY</u>		
11.13.04 SIX AF ENGINES	\$ 108,000	\$ 120,000
QUANTITY: 6		

THIS SAMPLE BUDGET SHOWS THE CORRECT WAY TO RECORD ADA & CAA
EXPENSES DIRECTLY LINKED TO ROLLING STOCK PURCHASES.

APPROVAL DATE
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SAMPLE PROJECT BUDGET
SAMPLE #2

PAGE 1

GRANTEE:

GRANT NO:

BUDGET NO: 01

<u>SCOPE</u>	<u>FEDERAL AMOUNT</u>	<u>TOTAL AMOUNT</u>
111-00 BUS - ROLLING STOCK.....	\$ 2,000,000	\$ 2,500,000
<u>ACTIVITY</u>		
11.13.01 PURCHASE FOUR EXPANSION BUSES QUANTITY: 4	\$ 800,000	\$ 1,000,000
11.12.01 PURCHASE SIX REPLACEMENT BUSES QUANTITY: 6	\$ 1,200,000	\$ 1,500,000
<u>SCOPE</u>		
114-00 BUS SUPPORT EQUIP/FACILITIES..	\$ 135,000	\$ 150,000
<u>ACTIVITY</u>		
11.42.43 PURCHASE WHEELCHAIR LIFTS QUANTITY: 8	\$ 90,000	\$ 100,000
11.42.44 PURCHASE AF ENGINES QUANTITY: 3	\$ 45,000	\$ 50,000
TOTAL CAPITAL	\$ 2,135,000	\$ 2,650,000
TOTAL	\$ 2,135,000	\$ 2,650,000
ESTIMATED NET PROJECT COST		\$ 2,650,000
FEDERAL SHARE		\$ 2,135,000
LOCAL SHARE		\$ 515,000

THIS SAMPLE BUDGET SHOWS THE CORRECT WAY TO RECORD ADA & CAA
EXPENSES PURCHASED SEPARATELY FROM ANY ROLLING STOCK PURCHASES.

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